



DATE: 6/16/2026

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Purchase and Sales Agreement with Link Logistics Real Estate LLC for the Transfer of the Former Whitesell Street Right-of-Way (with Reservation of Utility Easements) Located at Whitesell St and Bay Center Place (APN 439-99-77-1) and Finding the Action Exempt from CEQA Review

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute a Purchase and Sales Agreement with Link Logistics Real Estate LLC for the transfer of the Former Whitesell Street Right-of-Way (with Reservation of Utility Easements) located at Whitesell St and Bay Center Place (APN 439-99-77-1).

SUMMARY

Staff recommends proceeding with the sale of approximately 0.8 acres of City-owned land at the former right-of-way at Whitesell Street and Breakwater Avenue. City Council previously approved the vacation of this right-of-way and declared the property Exempt Surplus Land on October 7, 2025. The site, which includes a remnant parcel and former street right-of-way, is now ready for sale to the adjoining property owner, Link Logistics Real Estate LLC, owner of 3832 Bay Center Place. This sale will allow consolidation with their existing industrial site and support the productive reuse of underutilized land.

This report requests City Council authorization for the City Manager to negotiate and execute a Purchase and Sale Agreement with Link Logistics Real Estate LLC for the transfer of the former right-of-way at Whitesell Street and Breakwater Avenue. The purchase price will be the appraised Fair Market Value of \$840,000, to be paid in full at closing.

FISCAL IMPACT

Proceeds from the parcel sales will be directed to the City's General Fund reserves. The sale price is \$840,000, reflecting fair market value based on the City's appraisal. The City is not aware of any other parties interested in purchasing the former right-of-way.

A larger, consolidated parcel will support higher-value improvements, expand the City's property tax base, and generate increased development impact fees and utility connection revenues. Once operational, the new building will attract businesses that create jobs, increase sales tax revenues, and stimulate broader economic activity within the City.

BACKGROUND & DISCUSSION

In 2013, the City acquired property from Rohm and Haas Company in support of the I-880/SR-92 Reliever Route and the realignment of Whitesell Street. As part of that transaction, the City obtained a remnant parcel that was not needed for the roadway project, along with fee ownership of a portion of the former Whitesell Street right-of-way. These City-owned properties, consisting of a 0.48-acre remnant parcel and approximately 0.32 acres of former right-of-way, total roughly 0.8 acres and have remained underutilized since completion of the project.

Pursuant to the Surplus Land Act, the City is required to declare property as either "Surplus" or "Exempt Surplus" prior to disposition, with Exempt Surplus Land not subject to affordable housing offering requirements. On October 7, 2025, the City Council approved vacation of the former Whitesell Street right-of-way and declared the property as Exempt Surplus Land, allowing the City to proceed with potential sale. Following that action, the adjoining property owner, Link Logistics Real Estate LLC (owner of 3832 Bay Center Place), expressed interest in acquiring and consolidating the City-owned land into its existing industrial site. The property contains existing City utilities, including a storm drain and water line, which would require relocation at the developer's expense as part of any future development.

On May 26, 2026, the City received a non-binding Letter of Intent from Link Logistics Real Estate LLC to purchase approximately 0.8-acre property for \$840,000, consistent with the appraised value. Proposed terms include an all-cash purchase, a 30-day due diligence period with the right to terminate, and a \$50,000 refundable earnest money deposit. The transaction is subject to negotiation of a mutually acceptable Purchase and Sale Agreement.

ECONOMIC IMPACT

Merging the City-owned parcel with the adjacent industrial property at 3832 Bay Center Place would allow the applicant to expand their proposed development. The developer has submitted a Conceptual Development Review application for demolishing existing structures and constructing a new 132,000 square foot industrial building approximately. Including the City's remnant parcel and the vacated old Whitesell Street right-of-way will support a more efficient site layout, improved circulation, and greater building coverage. This project reflects further private investment in modernizing industrial facilities within Hayward's Industrial Park district.

By consolidating the remnant parcel into the planned development, the City will support a more viable project that strengthens the economic vitality of the Bay Center Place area and returns underutilized City-owned land to productive use.

STRATEGIC ROADMAP

This agenda item supports the City's Strategic Roadmap priorities to Grow the Economy and Invest in City-Owned Property. The roadmap emphasizes that "Hayward attracts new, higher-paying jobs, allowing existing and new residents to live and work in the same community" and calls for investment in City-owned facilities and property. Selling the parcel to the adjoining developer aligns with these goals by returning underutilized public land to productive use, strengthening the local tax base, and supporting economic growth.

ENVIRONMENTAL REVIEW

As previously noted, the vacation of the right of way, designation of the 0.32 vacated street right-of-way and 0.48 remainder parcel as exempt surplus land, and contemplated disposition of the surplus land does not have the potential for creating a significant effect on the environment and is therefore exempt from further review under CEQA pursuant to State CEQA Guidelines Section 15060(c)(3) because it is not a project as defined by the CEQA Guidelines Section 15378. Any proposed development of the site will undergo separate CEQA review as part of the land use entitlement process.

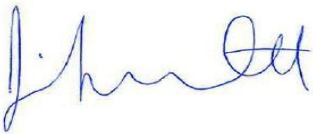
NEXT STEPS

If Council adopts the resolution, staff will complete negotiations with Link Logistics Real Estate LLC and the City Manager will execute a Purchase and Sales Agreement with Link Logistics Real Estate LLC using the terms listed above and transfer title of the property to Link Logistics Real Estate LLC.

Prepared by: Tracy Irvin, Real Property Manager

Recommended by: Mary Thomas, Assistant City Manager

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott".

Jennifer Ott, City Manager